



FY 2024 Budget Workshop

NOVEMBER 6, 2023

Agenda



- **OVERALL BUDGET SUMMARY**
- **GENERAL FUND SUMMARY**
- **TIF AND BDD FUNDS SUMMARY**
- **WATER AND SEWER FUND
SUMMARY**

Budgeting with Purpose: 2019 – 2024 Strategic Plan



Overall Budget Overview



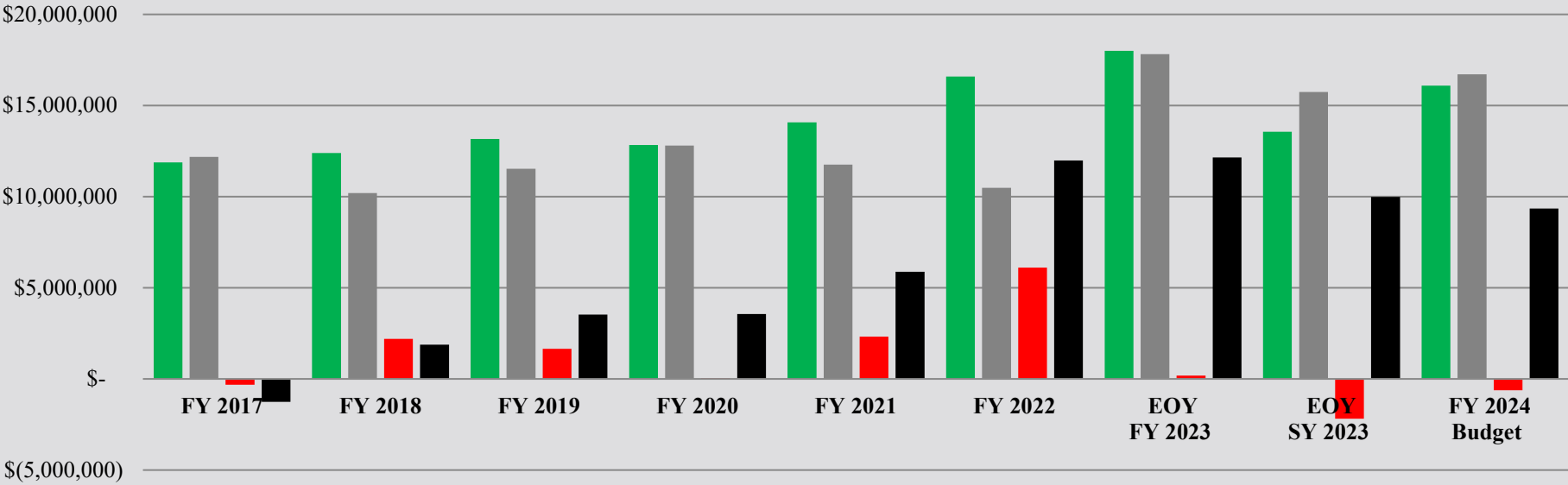
Long-term Budget Overview



Change in Net Position (Revenue vs. Expenditure Comparison)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	EOY FY 2023	EOY SY 2023	FY 2024 Budget
Revenues	\$ 11,875,226	\$ 12,393,119	\$ 13,169,718	\$ 12,830,701	\$ 14,073,532	\$ 16,587,179	\$ 18,000,961	\$ 13,560,497	\$ 16,088,155
Expenditures	\$ 12,187,614	\$ 10,200,871	\$ 11,523,006	\$ 12,801,760	\$ 11,759,043	\$ 10,479,094	\$ 17,821,840	\$ 15,740,973	\$ 16,712,900
Change in Net Position	\$ (312,388)	\$ 2,192,248	\$ 1,646,712	\$ 28,941	\$ 2,314,489	\$ 6,108,085	\$ 179,121	\$ (2,180,476)	\$ (624,745)
Estimate Cumulative Change (Cash)	\$ (1,253,878)	\$ 1,879,860	\$ 3,526,572	\$ 3,555,513	\$ 5,870,002	\$ 11,978,087	\$ 12,157,208	\$ 9,976,732	\$ 9,351,987

■ Revenues
 ■ Expenditures
 ■ Change in Net Position
 ■ Estimate Cumulative Change (Cash)



Village Debt Obligations



VILLAGE DEBT OBLIGATIONS

DOES NOT INCLUDE REDEVELOPMENT AGREEMENT OBLIGATIONS

General Obligation Debt:	Project:	Supported By:	Amount Issued	SY 2023 P&I Payment	CY 2024 P&I Payment	Outstanding Principal & Interest (12.31.24 Estimate)
GO Bond Series 2012A <i>Maturity: 2032</i>	1) Stormwater Detention Pond 2) Acquisition of River Haven Property 3) Construction of Water Main 4) Van Buren Avenue and Christina Drive Road Improvements	<i>Paid out of Fund 48:</i> Prairie Lakes TIF - 39.1% Christina TIF - 15.3% Dundee Crossings TIF - 34.2% Downtown TIF - 11.4%	\$5,390,000	\$541,456	\$567,206	\$1,227,294
GO Bond Series 2012B <i>Maturity: 2027</i>	1) Grant to J.D. Byrider Redevelopment Project (\$520,500) 2) Loan for J.D. Byrider Redevelopment Project (\$1,735,000) to be paid by J.D. Byrider	Dundee Crossings TIF - 100%	\$2,610,000	\$218,262	\$215,334	\$655,266
Limited General Obligation Tax Increment Revenue Bond Series 2012 <i>Maturity: 2031</i>	1) Gat Guns Redevelopment Project (\$5.5 million) and Required Reserve Funds	Route 25 TIF - 100%	\$7,000,000	\$806,406	\$268,719	\$1,900,007
GO Bond Series 2015 <i>Maturity: 2024</i>	1) Police Station Redevelopment Project 2) Acquisition of Summit School Properties 3) Downtown Redevelopment Project (Road Improvements, Crosswalks, Lighting, Burying ComEd Lines) 4) Downtown Lift Station 5) Downtown Water Main Improvements	Downtown TIF - 100%	\$5,450,000	\$908,600	\$910,000	\$0
GO Bond Series 2016 Principal Payments Begin 2026 <i>Maturity: 2028</i>	1) Pay off the Line of Credit for the Police Station 2) 311 Barrington Avenue Parking Lot 3) Summit School Roofing Project	Downtown TIF - 100%	\$2,865,000	\$85,950	\$85,950	\$3,083,100
Total General Obligation Principal Issued and Outstanding			\$23,315,000	\$2,560,674	\$2,047,209	\$6,865,667

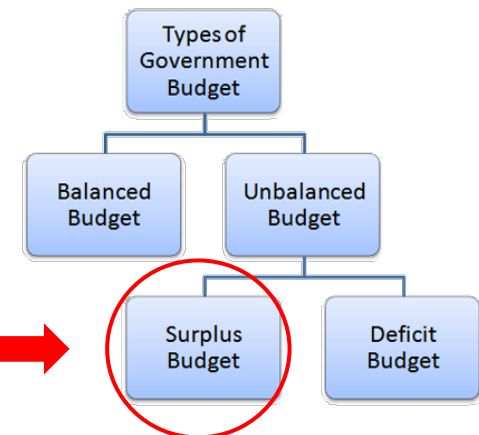
Village Debt Obligations

Other Debt:	Project:	Supported By:	Amount Issued	SY 2023 P&I Payment	CY 2024 P&I Payment	Outstanding Principal & Interest (12.31.24 Estimate)
IEPA Loan 2005 <i>Maturity: 2026</i>	Wastewater Treatment Plant Improvements	Water & Sewer Fund - 100% Funded by Village of West Dundee	\$7,200,000	\$469,060	\$469,060	\$938,119
IEPA Loan 2010 <i>Maturity: 2031</i>	Water Improvements - Well #6	Water & Sewer Fund - 100%	\$3,414,000	\$197,865	\$197,865	\$1,385,045
East Dundee Fire Protection District Loan <i>Maturity: 2033</i>	Purchase of Fire Station for Police Station Redevelopment Project	Downtown TIF - 100%	\$2,000,000	\$100,000	\$100,000	\$900,000
Total Other Principal Issued and Outstanding			\$12,614,000	\$766,925	\$766,925	\$3,223,164
Total Principal Issued and Outstanding			\$35,929,000	\$3,327,599	\$2,814,134	\$10,088,831
Total SY 2023 Debt Payments (Less J.D. Byrider and West Dundee Revenue)				\$8,990,712		

Budget Overview

- **ZERO-BASED BUDGET**
- **BALANCED GENERAL FUND**
- **ANTICIPATED GENERAL FUND SURPLUS OF \$74,423**
- **USE OF VARIOUS TIF FUNDS CASH RESERVES TO SUBSIDIZE UNDERPERFORMING TIF FUNDS**
- **ANTICIPATED USE OF CASH RESERVE TO FUND PROJECTS**
- **TRANSPARENT BUDGET**

FY 2024 Operating Budget



Budget Overview

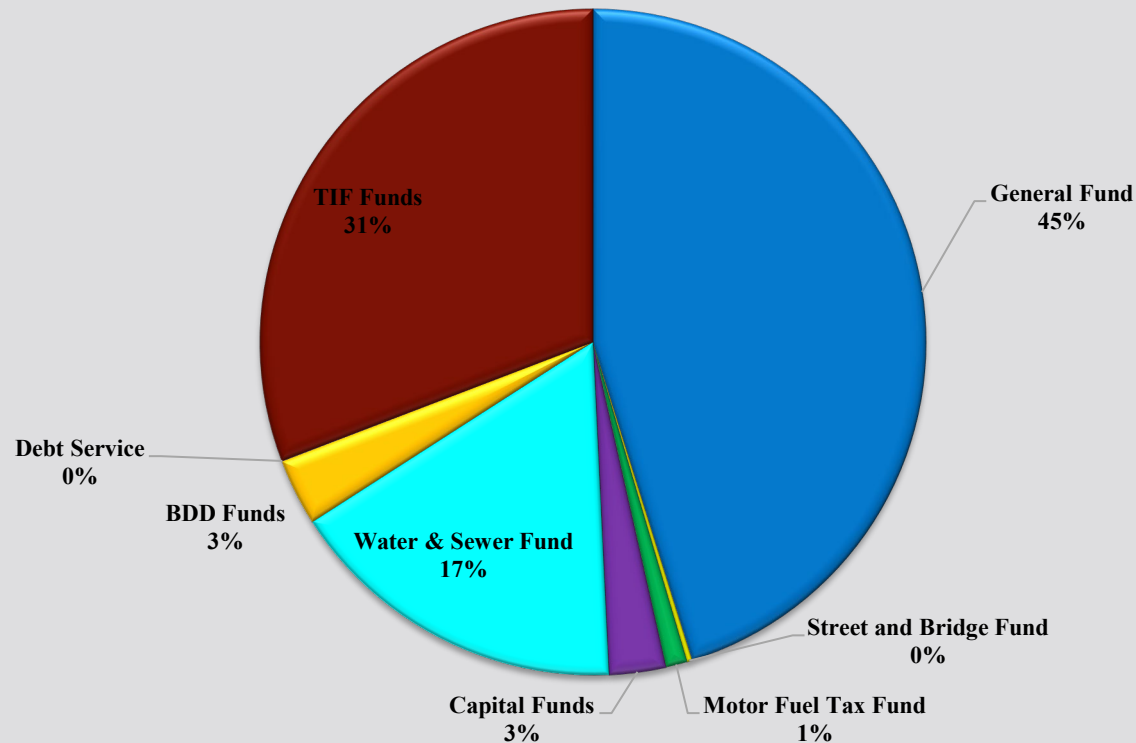


- TIF and BDD Commitments Funded
- Debt Payments Funded
- Nearly \$1.80 Million in Budgeted Initiatives and Projects
- Over \$3.28 Million in Deferred Projects Identified
- Police Pension Funded to L&A Alternative Minimum
(IPOPIF statutory minimum amount not available at this time)
- \$100,000 Contingency (\$50,000 in General and \$50,000
in Water and Sewer Fund)

Budget Overview



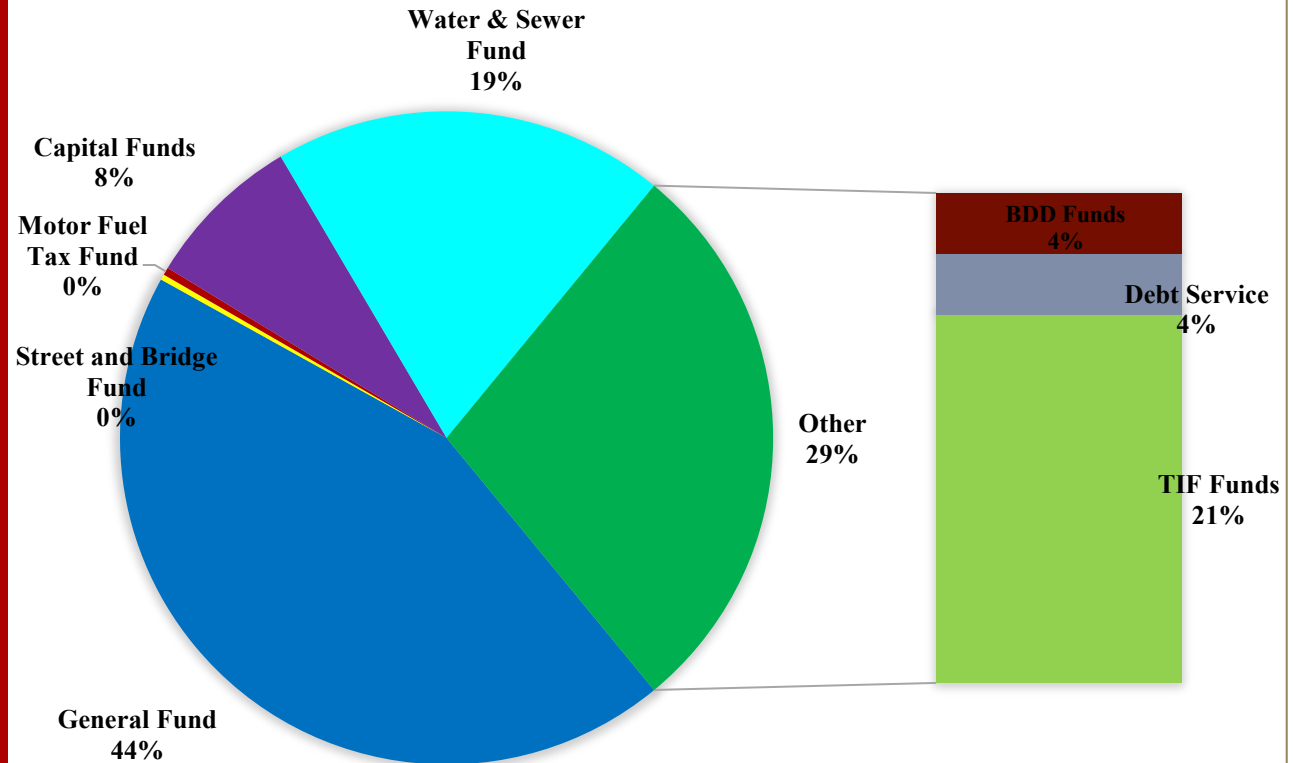
TOTAL REVENUES BY FUND



Summary of Expenditures by Fund

- Cash balances in the Water & Sewer Funds were intentionally used to fund capital projects
- Capital Projects include but are not limited to:
 - Village Hall Improvements
 - 2 PW vehicles:
 - PW equipment
 - Street Resurfacing
 - Riverfront Improvements & Beautification
 - Lions Park Stormwater Project
 - Comprehensive & Strategic Plans
 - Bartels Park Expansion
 - Demolition of 2 & 4 Van Buren
 - Depot Improvements
 - Lead Service Line Plan & Replacements
 - Inflow & Infiltration Study

TOTAL EXPENDITURES BY FUND



General Fund Budget Overview



General Fund Summary



General Fund Revenues by Source

Overall, the revenue received in the General Fund have increased since the 2021 audit year. Revenues increased unexpectantly and significantly due to some of the following:

- Sales tax revenues have increased significantly
- Permit & licensing revenues have also increased due to new construction and major renovations
- FY23 introduced two new revenue sources: streaming & truck parking tax
- Higher than expected interest rate returns from banking institutions

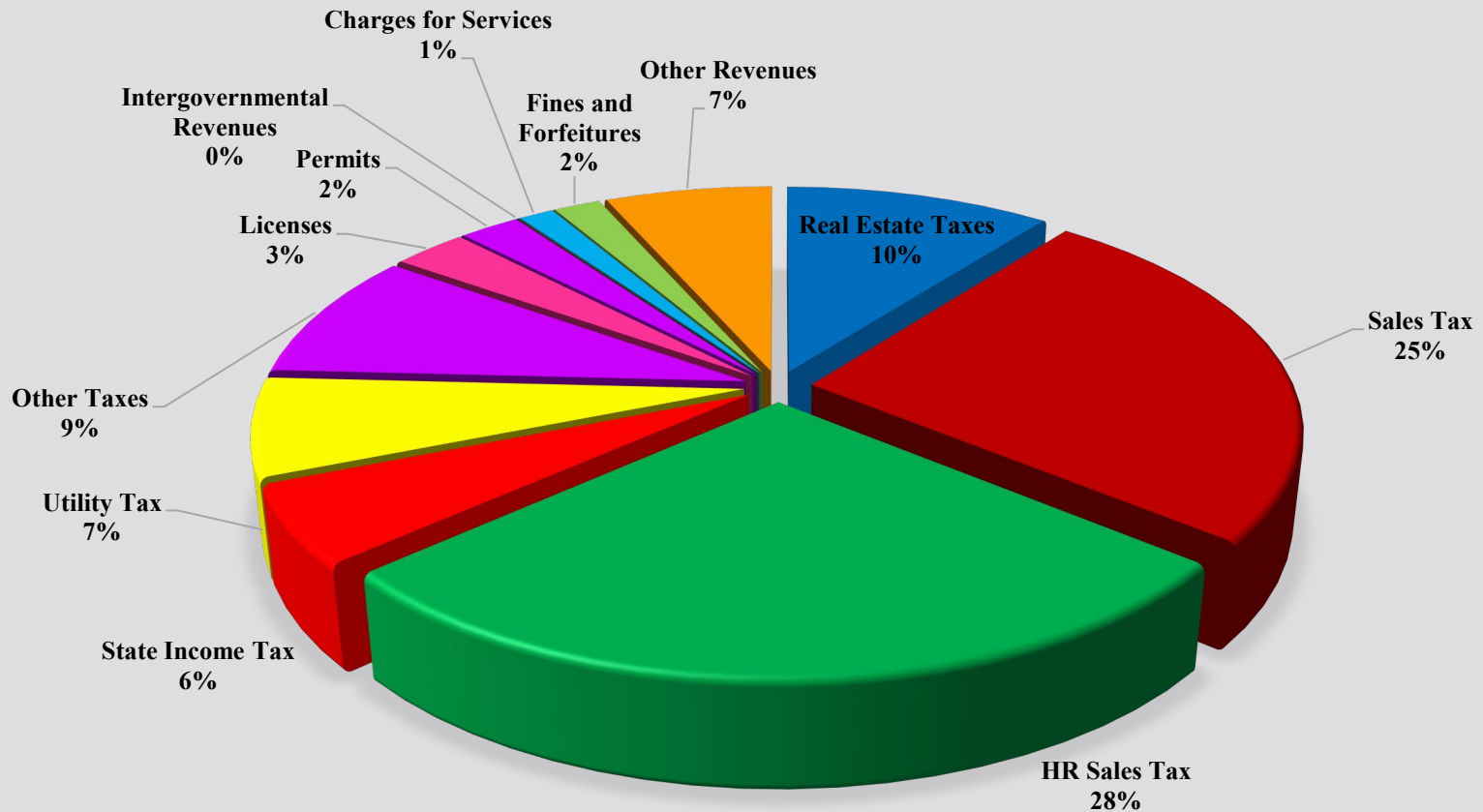
Due to transition to a calendar year budget this year, the End-of-Year projected revenues for May 1 – December 31, 2023, only reflect eight (8) months of revenue. This is about a 65.5% or \$3.59 Million difference from the unaudited FY23 revenue projections. Revenue projections for FY 2024 are more closely aligned with prior budgeted and audited revenues.

	FY21 Audited	FY22 Audited	FY23 Unaudited	SY23 Budget	SY23 EOY	CY24 Budget
Taxes	5,545,662	6,929,716	7,117,979	4,869,241	4,525,345	6,165,003
Licenses	169,279	226,843	245,209	138,000	123,000	213,000
Permits	355,975	231,277	311,697	157,200	147,305	173,440
Intergovernmental	193,800	26,517	221,965	2,500	10,634	2,575
Charges for Services	298,554	102,360	153,767	88,235	89,744	100,773
Fines & Forfeits	205,770	164,271	200,425	117,600	98,765	134,628
Other Revenues	400,668	399,247	798,298	253,500	485,761	479,375
Transfers	-	-	20,958	-	-	-
	7,169,708	8,080,230	9,070,299	5,626,276	5,480,555	7,268,794

General Fund Summary



General Fund Revenues by Source

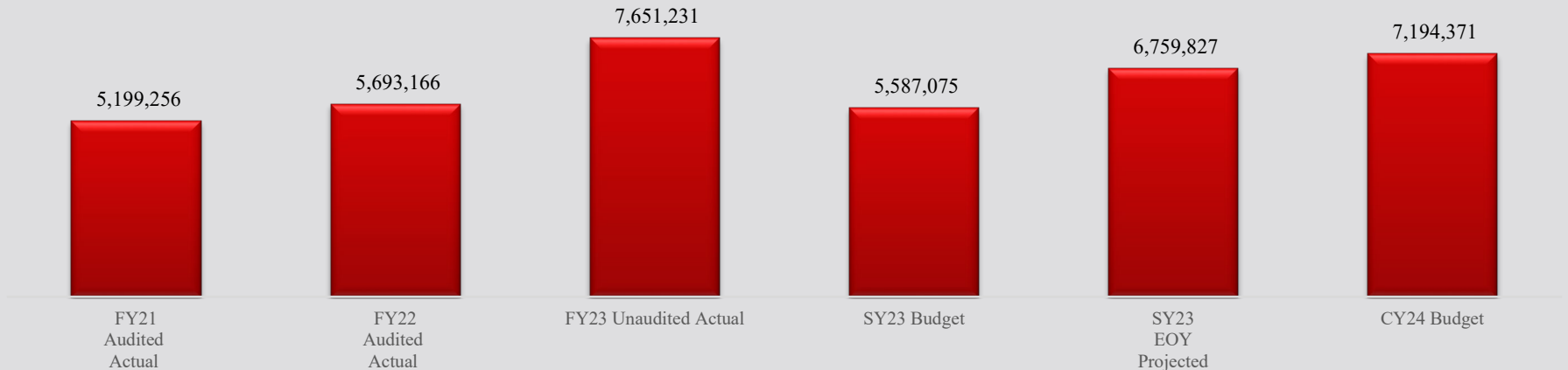


General Fund Summary



General Fund Overview of Annual Expenditures

- The FY 2024 proposed budget is approximately 21% or \$1.6 Million higher than the SY 2023 which was an 8-month transition to the new Calendar Year budget. In addition to a full year's budget, some of the increases are primarily due to the following:
 - Annual personnel cost increases for union and non-union employees COLA & step/merit increases. Union increases are according to their respective union contracts. Non-union employees projected to receive a 2% COLA and up to a 2% merit increase
 - Increased Police Pension contribution
 - Continue the computer and software replacement program for each department
 - Comprehensive & Strategic Plan
 - Engineering for Bartels Park Expansion
 - Human Resource Information System (HRIS)



General Fund Summary



General Fund Expenditures by Category

			Community				
	tion	Building	Events	Finance	Police	Public Works	Refuse
Personnel Services	469,765	206,051	-	199,735	3,541,240	520,294	-
Maintenance Services	8,000	2,000	-	-	64,250	236,900	-
Contractual Services	273,300	13,700	62,000	50,000	181,500	47,450	289,500
Communications	16,250	2,950	11,000	5,850	219,572	7,350	-
Professional Development	24,000	1,450	1,550	5,050	51,400	8,050	-
Other Charges for Service	20,566	38,900	48,000	32,700	128,500	59,500	5,500
Commodities & Supplies	18,950	2,450	18,000	3,900	67,600	56,150	750
Capital Outlay	50,000	-	-	-	-	-	-
Micellaneous Expenses	52,500	-	5,000	-	65,249	-	-
Transfers	-	-	-	-	-	-	-
TOTAL	933,331	267,501	145,550	297,235	4,319,311	935,694	295,750

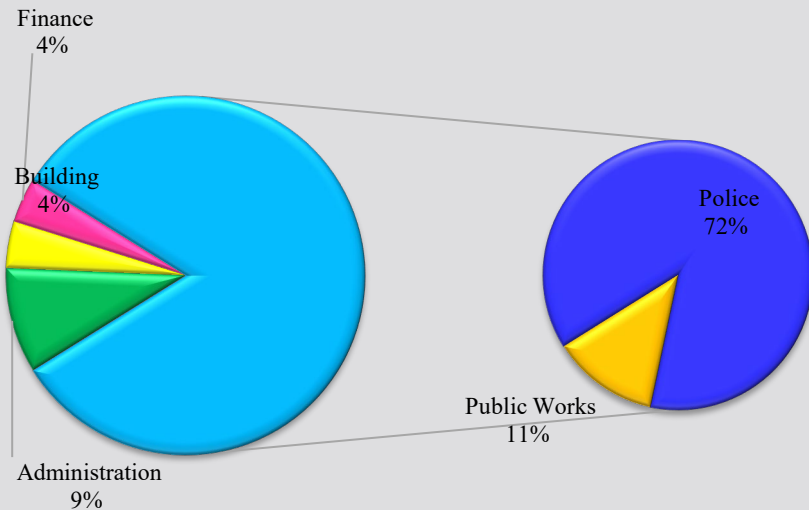
The above expenditure chart does not include transfers to the Capital Fund per the Cash Balance Policy. Staff is requesting the Board approve a transfer to the Capital Fund upon completion of the FY 2023 audit in the amount of \$1.5 Million and another transfer EOY SY 2023 for \$1.5 Million. These transfers will help pay for a great deal of capital projects within the Capital Fund and will allow the Village to maintain well above the 35% reserve within the General Fund.

Total expenditures for the General Fund: \$7,194,371

Note: 50% of Finance & Public Works personnel services and 30% of Administration salaries are charges to the Water and Sewer Fund

Personnel

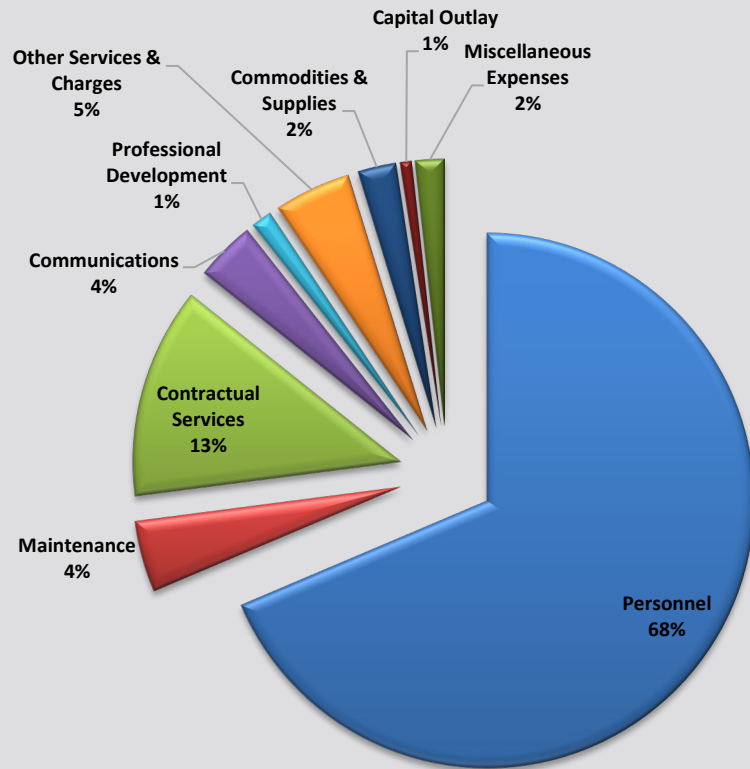
PERSONNEL



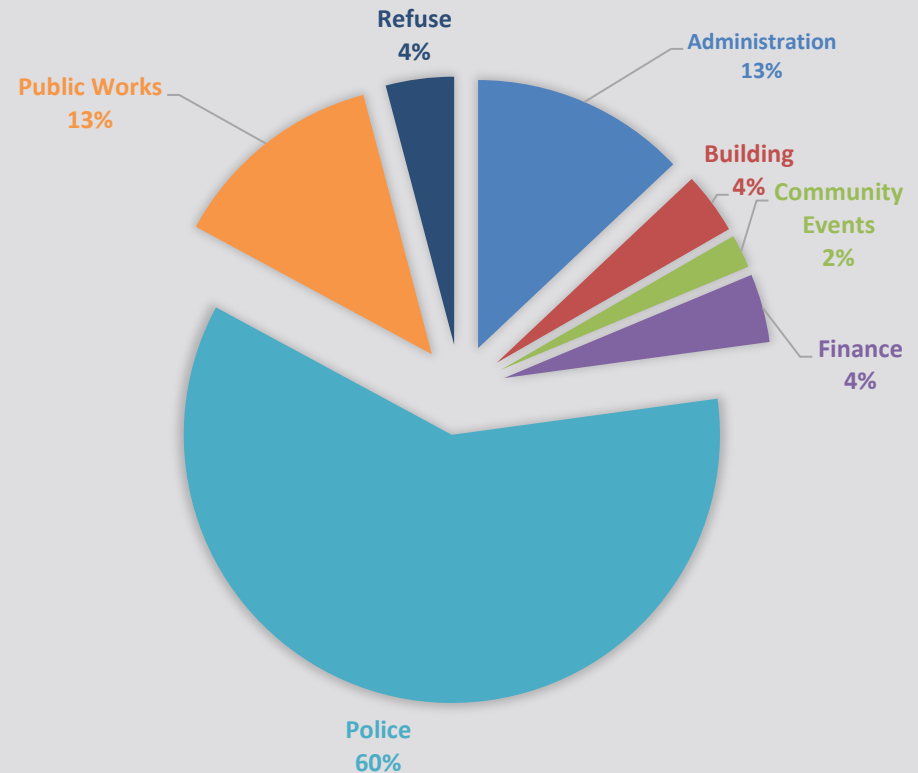
- Changes in personnel cost are attributed to:
 - COLA and merit increases
 - ✦ 3% COLA plus 3% step increases for Public Works
 - ✦ 3% COLA plus 3% step increases for Police
 - ✦ 2% COLA plus up to 2% merit increase for non-union employees
 - Increase insurance cost
 - ✦ Proposed increase in employee deduction for medical, dental, and vision insurance offset the 9% premium increase

General Fund Summary

General Fund Expenses by Category



Expense Distribution by Department



General Fund Summary ADMINISTRATION

- **INCLUDED IN BUDGET**

- 2% COLA and up to 2% Merit

- **BUDGET ADDITIONS/CHANGES**

- Comprehensive and Strategic Plan (\$40,000)
- Depot Attendant Position (\$14,610)
- Management Intern (\$22,388)
- Depot Computer Replacement (\$2,500)

- **DEFERRED EXPENDITURES**

- None

General Fund Summary

FINANCE



- **INCLUDED IN BUDGET**

- 2% COLA and up to 2% Merit

- **BUDGET ADDITIONS/CHANGES**

- Human Resource Information System (\$4,832)

- **DEFERRED EXPENDITURES**

- None

General Fund Summary

POLICE



- **INCLUDED IN BUDGET**

- Police Pension Contribution
- Begin computer replacement cycle with the purchase of 3 new desktop computers

- **BUDGET ADDITIONS/CHANGES**

- Enterprise lease to budgeted at full \$120,000
- License Plate Readers (\$15,000)
- Year 2 of Body Cameras (\$42,749)

- **DEFERRED EXPENDITURES**

- Transition PT Records Clerk to FT position
- Hire 2 new Officers

General Fund Summary

PUBLIC WORKS



- **INCLUDED IN BUDGET**

- Proposed salary increases

- **BUDGET ADDITIONS/CHANGES**

- Engineering for Bartels Park Expansion (\$10,000)

- **DEFERRED EXPENDITURES**

- Hiring an additional Public Works Laborer

General Fund Summary



COMMUNITY EVENTS

- Includes
 - Motor Monday
 - Wine Down Wednesday
 - Thirsty Thursdays
 - Friday Concerts in the Park
 - Oktoberfest
 - Dickens in Dundee
 - St. Patrick's Day Parade
 - Shredding Events

Community Events Budget per Event

Wine Down Wednesday	10,189
Thirsty Thursday	29,110
Oktoberfest	80,053
Dickens in Dundee	14,555
St. Patrick's Day	2,911
Motor Monday	1,500
Shredding Event	1,000
Riverside Parade of Lights	2,000
Concerts in the Park	2,500
Dundee Township Family Fun	300
Flag Day	200

TOTAL EVENT BUDGET	144,317
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Capital Projects Fund Budget Overview



Capital Projects Fund Budget

Budgeted Projects



- **FACILITIES**

- Finish Village Hall Improvements (Exterior Doors, Front Counter, and Rear Office) - \$50,000

- **STREETS**

- Resurfacing projects include: Lakewood (\$75,000), Albert Drive (IL Rt. 25 to Castle Ave) - \$59,400; Ashland Avenue (Edwards Ave to Kenilworth Ave) - \$63,100; Council Hill (Bonnie Dundee Rd to Terminus) - \$111,100; Crabtree Road (Ravine Rd to Terminus) - \$25,300; Edwards Avenue (Van Buren St to Ashland Ave) - \$34,900; Richardson Road (IL Rt. 25 to Terminus) - \$29,400; Roslyn Road (Van Burnet St to Summit Ave) - \$61,500; Springcrest Road (Barrington Ave to Roslyn Rd) - \$55,400; Wilmette Avenue (Van Buren St to Bonnie Dundee Rd) - \$59,900

- **IT**

- Starcomm Radio Lease (Year 3) - \$16,000

- **STORMWATER**

- Lions Park - \$50,000

- **ACQUISITIONS**

- Demolition of 4 N. Van Buren - \$26,000

Capital Projects Fund Budget

Deferred Projects



- **DEFERRED EXPENSES**

- Village Hall & Police Parking Lot Expansion - \$80,000
- Keyless entry - \$98,000
- Development of a Geographic Information System (GIS) - \$85,000

Capital Projects Fund Budget Overview



- **SPONGY MOTH**

- The Village conducted an initial aerial spray in 2023 in the amount of \$52,400
- A second spraying is contemplated for 2024 (\$60,000)
- Staff will provide a spongy moth update to the Village Board in February 2024
- At that time staff will request direction on spraying for Summer 2024, and if approved by the Board, spraying will be funded from Contingency Funds

TIF and BDD Funds Budget Overview



TIF and BDD Funds Budget Overview



- **FACILITIES**

- Depot Complex Improvements (restroom renovation, siding repair, and irrigation system) - \$157,500

- **COMMUNITY BEAUTIFICATION**

- Village Entryway Signage - \$50,000

- **ACQUISITIONS**

- Demolition of 2 N. Van Buren - \$24,000

- **DEFERRED PROJECTS**

- Heinz Drive Resurfacing and Extension - \$995,000

TIF and BDD Funds Budget Overview



FUTURE REDEVELOPMENT AND DEVELOPMENT PROJECTS

- **7 MAIDEN LANE - HAEGER POTTERY SITE**
 - **110 RAILROAD - LUMBER YARD**
 - **2 N. VAN BUREN**
 - **4 N. VAN BUREN**
 - **DOWNTOWN PARKING LOT**

Water & Sewer Fund Budget Overview

Water & Sewer Fund 60

Consolidated in FY21 to create Water and Sewer Fund

An illustration featuring a spiral-bound notebook with the word "Budget" written in large, bold, black cursive letters and underlined with a red line. The notebook is open, showing a lined page. In the background, there are various financial and organizational diagrams: a line graph with a fluctuating black line on a light blue grid, a flowchart with several boxes connected by arrows, and a small box containing the text "30%". The entire scene is set against a red background at the top and a tan background at the bottom.

Budget

General Fund Summary

WATER & SEWER FUND



- **INCLUDED IN BUDGET**

- Raw Lift Station – Interior Painting - \$16,000
- Well #3 Interior Painting - \$11,000
- Sludge Pump Replacement - \$10,000
- WAS Pump Replacement - \$16,000
- Lead Service Line Plan and Replacement - \$67,500
- Valve Exercising Program and Replacement - \$34,000
- Inflow and Infiltration Study - \$42,500
- Water & Sewer Rate Study - \$35,000
- Oxidation Ditch Projects - \$57,000
- Hill Street Lift Station Pump Replacement - \$20,000
- Clarifier Rotating Assembly Reconditioning - \$17,500
- \$50,000 Contingency

General Fund Summary

WATER & SEWER FUND



- **DEFERRED EXPENSES**

- Wastewater Operator - \$122,925
- IL 68 Water Tower Painting & Rehabilitation - \$863,000
- Water Main Replacement - \$594,000

Cash Balance Policy

General Fund (01) and Water & Sewer Fund (60)



CASH BALANCE POLICY



- **GENERAL POLICY INCLUDES THE FOLLOWING**
 - Maintain a cash balance of a minimum of 35% reserve in both the General and Water & Sewer Funds
 - 25% of budgeted expenditures
 - 10% cash flow reserve
 - General Fund excess (surplus) to be allocated as follows:
 - Addition contribution into the Police Pension Fund to meet the minimum requirement as presented by Lauterbach & Amen.
 - Transfer 50% of excess (surplus) cash (less Police Pension contribution) into the Capital Improvements Fund
 - Water & Sewer Fund excess (surplus) to be allocated as follows:
 - 100% of excess restricted for capital projects within the Fund
- **NO ANTICIPATED CHANGE IN POLICY FOR THE FY 2024 BUDGET**

Final surplus to be determined by End of Year estimated projection

Conclusion – Next Steps



- **QUESTIONS & ANSWERS**
- **NEXT BUDGET MEETING**
- **THANK YOU!**